GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:956
ANSWERED ON:06.03.2007
AUTO INDUSTRY
Patle Shri Shishupal Natthu;Shiwankar Shri Maha Deo Rao

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government proposes to formulate a scheme for the promotion of manufacture of vehicles and manufacture of auto parts in the domestic sector to reduce import of auto-parts;

(b) if so, the details thereof;

(c) whether import of auto-parts is more than the exports if so, the details thereof;

(d) whether the Government is inviting foreign companies in the field of vehicle manufacturing also;

(e) if so, the reasons therefor;

(f) whether any action plan is being formulated to provide facilities to the domestic auto-part manufacturing industry;

g) if so, the details thereof; and

h) the time by which this plan/scheme is likely to be formulated and implemented?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) & (b) The Government has formulated an Automotive Mission Plan (AMP) 2006-2016 which was launched by the Hon'ble Prime Minister on 29.01.2007. The vision of the AMP 2006-2016 is "To emerge as the destination of choice in the world for design and manufacture of automobiles for more than 10% of the GDP and providing additional employment to 25 million people by 2016."

(c) As per available Import-Export data it is seen that value of exports of auto parts from India is more than the imports during last three years.

(d) & (e) The automotive industry is delicenced and even 100% FDI is allowed under the automatic route in the automotive sector.

(f) & (g) The Automotive Mission Plan 2006-2016 envisages for promotion of Research & Development, strengthening of infrastructure, Human Resources Development, growth of demand for production and export and environmental and safety concerns to realize the Automotive Industry including the auto component industry.

(h) Steps have been taken to implement the vision of AMP in a time bound manner.